

**Illinois Department of Revenue
Regulations**

Title 86 Part 500 Section 500.210 Documentation of Tax-free Sales of Motor Fuel Made by Licensed Distributors and Suppliers
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TITLE 86: REVENUE

**PART 500
MOTOR FUEL TAX**

Section 500.210 Documentation of Tax-free Sales of Motor Fuel Made by Licensed Distributors and Suppliers

- a) Sales of motor fuel made to licensed distributors or suppliers. A specific notation of the nature of the exemption must be made on the invoice for these sales. Also, the seller must retain the invoice number and date, name of carrier, bill of lading/manifest number, name and address of purchaser, Illinois origin, Illinois destination, purchaser's license number, and invoiced gallons sold.
- b) Sales of motor fuel delivered to points outside Illinois. The seller must retain the invoice date and number, name of carrier, bill of lading/manifest number, purchaser's name and address, Illinois origin, destination location, and invoiced gallons.
- c) Sales of motor fuel to the Federal government or its instrumentalities. The seller shall retain the invoice number and date, name of carrier, bill of lading/manifest number, name of purchaser, Illinois origin, Illinois destination, and invoiced gallons.
- d) Sales of motor fuel to a municipal corporation owning and operating a local transportation system for public service in Illinois. The seller shall retain the invoice date and number, name of carrier, bill of lading/manifest number, name and address of purchaser, Illinois origin, Illinois destination and invoiced gallons. In addition, the seller shall include with his return a Certificate of Exemption, in the form required by Section 500.280 of this Part, for each such sale.
- e) Sales of motor fuel to a privately owned public utility owning and operating 2-axle vehicles designed and used for transporting more than 7 passengers, for the operation of vehicles which are used as common carriers in general transportation of passengers, are not devoted to any

specialized purpose and are operated entirely within the territorial limits of a single municipality or any group of municipalities or in a close radius thereof, and the operations of which are subject to the regulations of the Illinois Commerce Commission. The seller shall retain the invoice date and number, name of carrier, bill of lading/manifest number, name and address of purchaser, Illinois origin, Illinois destination and invoiced gallons. In addition, the seller shall include with his return a Certificate of Exemption, in the form required by Section 500.285 of this Part, for each such sale.

- f) Sales of gasoline for aviation purposes. A Seller shall retain the invoice date and number, name of carrier, bill of lading/manifest number, name of purchaser, Illinois origin, Illinois destination, and invoiced gallons. He must also include a "Certificate of Gas Sold For Propulsion of Aircraft" with his return to document this type of exemption.
- g) Sales of special fuel sold for non-highway purposes. A specific notation of the nature of the exemption must be made on the invoice for these sales. The seller must retain the invoice number and date, name of carrier, bill of lading/manifest number, name and address of purchaser, Illinois origin, Illinois destination, and invoiced gallons sold. A legible and conspicuous notice stating "Dyed Diesel Fuel, Non-taxable Use Only, Penalty For Taxable Use" must appear on all shipping papers (including delivery tickets or manifests and excluding material safety data sheets), bills of lading, and invoices accompanying any sale of dyed diesel fuel.
- h) Sales of 1-K kerosene delivered into a storage tank located at a facility that has withdrawal facilities which are readily accessible to, and are capable of dispensing 1-K kerosene into the fuel supply tanks of, motor vehicles are taxable.

(Source: Amended 24 Ill. Reg. 6918, effective April 21, 2000)

